

APPROVED: Meeting No. 17-93

ATTEST:

MAYOR AND COUNCIL
ROCKVILLE, MARYLAND
Meeting No. 10-93

April 12, 1993

The Mayor and Council of Rockville, Maryland, convened in General Session in the Council Chamber, Rockville City Hall, 111 Maryland Avenue, Rockville, Maryland, on April 12, 1993, at 7:30 p.m.

PRESENT

Mayor Douglas M. Duncan

Councilmember James F. Coyle

Councilmember Rose G. Krasnow

Councilmember James T. Marrinan

Councilmember David Robbins

In attendance: City Manager Bruce Romer, City Clerk Paula Jewell and Assistant City Attorney Sandra Block.

Mayor Duncan welcomed Assistant City Attorney Sandra Block who was filling in for City Attorney Paul Glasgow. City Clerk Paula Jewell was also welcomed to this meeting, being her first as Rockville's City Clerk.

Re: City Manager's Report

1. On April 13th, the City will host an informational Town Meeting to get an update on the County's present plans and thoughts on correctional facilities. Mr. Devon Brown, the Director of Corrections for Montgomery County, would be speaking.

2. On April 13th at 11:00 a.m., Rockville Center, Inc. was planning to unfurl an banner with the legend "Tear It Down" to signify the continuing effort in the move to demolish the Rockville Mall.

Meeting No. 10-93

2

April 12, 1993

3. The sale of the current cable television franchise from Montgomery Cablevision to Southwestern Bell corporation has been announced. The City, as a participating co-franchisor municipality, got together with other municipalities to work through the requirements of the transfer. There will be a public informational meeting, a joint electronic public hearing which is required under the franchise for any transfer, and then the new franchise will come back to all the municipalities involved for final approval of the transfer.

4. The State Legislature acted favorably upon the City's request for funding for the Rockville Mall project. Two million dollars in funding was approved and the City was now looking forward to working with the Montgomery County Council on April 20th when they will consider similar or greater funding for the project.

5. The City was preparing for the Hometown Holidays celebration. A 30-second spot produced by Rockville's Cable staff has been airing on Montgomery County cable channels and others. The 30 second spot was played for the Mayor and Council and audience.

Re: Citizens Forum

This time is set aside to hear from any citizen wishes to address the Mayor and Council.

There being no citizens wishing to be heard, the Mayor closed the Citizens Forum portion of the meeting.

Re: Proclamation declaring the month
of April as **FAIR HOUSING**
MONTH in Rockville.

Proclamation No. 2-93

By unanimous vote of the Mayor and Council, the month of April was declared

Meeting No. 10-93

3

April 12, 1993

"Fair Housing Month" in Rockville. Councilmember Krasnow read the Proclamation, the full text of which can be found in Proclamation File No. 7 of the Mayor and Council. Bernie Tetreault, Chairman of the Montgomery County Interagency Fair Housing Coordinating Group accepted the Proclamation and commended the City for its continued commitment to fair housing.

Re: Approval of Minutes

Upon motion of Councilmember Coyle, duly seconded, the minutes of Meeting No. 09-93 (March 22, 1993) were approved with the direction given to staff to clarify misleading comments noted on page 6 regarding plans for middle lane businesses in Rockville Mall. Councilmember Robbins abstained because he was on sick leave on March 22, 1993.

Re: Consent Agenda

Upon motion of Councilmember Robbins, duly seconded and unanimously passed, the following Consent Agenda Items were approved:

- A. Award of Bid #77-93 for the 1993 Hometown Holidays Laser Light Show and to sponsor promotional billboard to Audio Visual Imagineering, Inc. of Orlando, FL for the low bid amount of \$22,350.
- B. Approval of purchase of an Automated Fuel Dispensing System through the Metropolitan Area Government Rider Clause on Montgomery County Bid #21475-AA for the total cost of \$40,638.00. The purchase of this system eliminates the need for a fuel pump attendant.
- C. Introduction of Ordinance to grant Text Amendment Application T-133-93, Rockville Planning Commission, Applicant.

Meeting No. 10-93

4

April 12, 1993

This Ordinance will amend the parking design standards section of the Zoning Ordinance to delete compact car parking spaces and provide a new uniform parking space size, and to make other modifications to the parking lot design requirements.

Re: Presentation of City Manager's budget for Fiscal Year 1994.

The City Manager commented that he was pleased to be presenting for the fifth time, an annual operating budget and capital improvements program. He said the effort has been the most challenging by far. The budget preparation was a team effort and Mr. Romer acknowledged the efforts of all the City's staff and department heads in preparation of the FY'94 budget. He said that coming off of four years of adapting to pressures to hold the line and following a slow recovery economic scenario which was guiding staff efforts, premium service levels have been able to prevail with a backdrop of no new programs and no new personnel. The City Manager provided the following overview of the proposed budget:

Goals Adopted Going Into the FY'94 Budget

- o Maintain premium service level
- o Continue excellence and be recognized at the forefront of excellent service delivery
- o Retain current tax and utility rates
- o Keep the City's competitive advantage and be seen in the marketplace for commercial and residential locations as a desirable place to be
- o Provide for adequate employee compensation
- o Defer borrowing in order to avoid the costs of borrowing this year

Meeting No. 10-93

5

April 12, 1993

Themes Adopted

- o Conveyed sense of empowerment to department heads to come back with a budget that reflected their plans as department managers
- o Emphasized concepts of downsizing and rightsizing
- o Established a future vision for a multi-year plan

Major Revenues

Mr. Romer presented a chart that showed the assessed valuation of the City dating back to 1987 to the present 1994 and moving towards 1997. The chart tracks the assessed valuation in residential properties and the commercial property tax base. The City had been experiencing an increase in the assessed valuation in the residential sector. In the commercial area, an even greater increase has been seen. He said the City was taking advantage of continued growth back in earlier years. On the commercial side, there would be a slight drop in 1994 because commercial properties were taking advantage of mid-year property tax appeals in the three year cycle. In 1995-1997, the City would see a flattening out of the assessed value because the three year assessment cycle would work against the City.

Another major part of the City's revenues was intergovernmental revenue sharing in the state and county governments. Mr. Romer presented a chart which showed total intergovernmental receipts from 1988 to the present and said this was not likely to change, and the City would see increasing reliance on the property tax because of the City's limited ability to raise revenues in other areas. The County tax duplication program in 1991 was 1.6 million dollars; in 1992 it increased to 1.8 million; in 1993 it went down to 1.5 million, and down to 1.2 million projected for FY'94. The alarming rate of decline was due to the road maintenance payments

Meeting No. 10-93

6

April 12, 1993

which dropped dramatically--in FY'91 payments were 1.2 million; staff was projecting them to be \$800,000 this year. Montgomery County eliminated two categories of tax duplication payments for municipalities this year; the weed control element and the housing code enforcement element.

Mr. Romer displayed charts which showed changes in the City's budgets over the previous year budgets. He pointed out that in 1991, discussions centered around anticipating, cutting back and planning ahead, and the City began to constrain its budgets and started a downward trend.

The tax rate is being recommended at 80.66 cents (same as in FY'93) per \$100 of assessed valuation; the water rate for Rockville's approximately 12,000 customers is proposed at \$1.35 per 1,000 gallons of water used which reflected no change from last year. The sewer rate, as in FY'93, was being proposed at \$2.40 per 1,000 gallons of water used; the refuse rate is proposed at \$22.00 per month (same as in FY'93).

Mr. Romer explained what happened to the City's tax rate since 1988. In 1972, the Recession hit and there was an alarming decrease in Town Center property values. The City was forced to raise the tax rate in 1974-75. In 1978-81, there was a boom in the commercial tax base; areas such as Research Boulevard developed intensely, and the City took advantage of this and dropped the tax rate. In 1980-86, there was a nice increase in the residential tax base and continued improvement in the commercial tax base. The City has been able to continue to keep the tax rate low.

Mr. Romer presented charts which focused on recent years where the City has been able to lower the tax rate. In 1993, the City enjoyed the lowest tax rate since 1969, and the FY'94 budget recommends the continuation of that tax rate.

Meeting No. 10-93

7

April 12, 1993

Mr. Romer noted the City's water and sewer rates for the last four years and said these were very favorable compared to WSSC rates.

Mr. Romer summarized some of the departmental budget highlights:

- o In Community Development, continue to pursue annexations vigorously and continue the affordable housing demonstration program with the Board of Realtors
- o In Recreation and Parks, the full implementation of the City's Tree Preservation Program and on the capital side, the completion of the Redgate Clubhouse and renovations to the Senior Center.
- o In Public Works, a major effort to determine what the ultimate source is for disposal of solid waste. Public Works will also see the implementation of a new automated fuel dispensing system to provide greater accountability and data for fuel usage and will result in the elimination of one full-time position. The City's premium service level in the delivery of street maintenance, particularly winter maintenance, will continue.
- o In the Police area, work towards full accreditation will take place in FY'94; continue award winning community policing program, and continue outreach to the City's growing diverse population.
- o In Community Services, as part of the reorganization effort to be discussed in worksession, a greater focus will be on family issues.
- o In Personnel, substantial lower rates were found for the City's group term life insurance program.
- o In the Finance Department, the City would continue to move away from mainframe

Meeting No. 10-93

8

April 12, 1993

configuration in Data Processing to the use of personal computers which was already well underway, and the increased reliance on local area networks.

- o In the Mayor and Council's budget, particularly the City Clerk's budget, a move towards contracting out for the conduct of election services.

Mr. Romer assured the Mayor and Council that all departments would vigorously pursue the quest of quality in delivery of services and excellence in management.

Outside Agency Funding will observe general budgetary goals of the same or less bottom line budgets with no new programs and downsizing and rightsizing.

General Fund Revenues:

- o Property tax revenues for FY'94 estimated to be 59%; up from 55% in FY'93

Expenditure Side:

- o 49 cents out of every dollar towards personnel and personnel related costs.
- o Debt service will be 13 cents; down from 15 cents.

Personnel Changes - Three Year Plan for Staffing:

- o In the first year of FY'94 elimination of 21.5 FTEs which is roughly 5% of current staffing.
- o Continued recommendations over the 2-3 year period, the theme of downsizing and rightsizing, done with minimal impact on individuals with no meaningful service reductions to the citizens.

Themes of the CIP:

- o deliberately modest to avoid bonding

Meeting No. 10-93

9

April 12, 1993

- o Looking and planning for outside funding for Town Center improvements
- o meeting critical needs; seizing opportunities, compliance with all mandates and complete previously planned programs.
- o 78 projects proposed for funding
- o 47 carryover projects from last year
- o In FY'94, 14.8 million for funding existing programs
- o 10.9 million in new funding; 6.8 million is funding from outside sources for the Town Center Redevelopment Project

Mr. Romer reiterated that the budget does maintain premium service levels, retains the current tax rate, and keeps other key rates at the same level. No increases in water, sewer and refuse rates were being recommended. The budget deferred bonding and delivered to the citizens a rightsized organization.

Councilmember Coyle asked that the City Manager flag for the Mayor and Council's budget worksession discussions, any types of programs, e.g., transportation projects or human and social services programs, that would be significantly impacted and are of significant concern to the community.

Councilmember Robbins commented that he would look forward to seeing long range planning on what the out year rightsizing would bring.

Councilmembers Coyle and Robbins congratulated the City Manager on an excellent budget and presentation.

Re: Introduction of Ordinance to appropriate funds and levy taxes for Fiscal Year 1994. The Ordinance establishes

Meeting No. 10-93

10

April 12, 1993

appropriation levels for the operating and capital budgets for Fiscal Year 1994. The proposed property tax rate is 80.66 cents per \$100 of assessed valuation.

The Ordinance was duly introduced.

Re: Adoption of Resolution to enlarge the Corporate Boundaries of the City of Rockville, Annexation Petition X-111-92, Mayor and Council of Rockville, Petitioners.

Annexation of approximately 15.47 acres of land located at 917-919 Montrose Road, Saint Elizabeth's Catholic Church.

Upon motion of Councilmember Robbins, duly seconded and unanimously passed, the Resolution enlarging the City of Rockville's corporate boundaries by annexing approximately 15.47 acres of land located at 917-919 Montrose Road was adopted.

Re: Introduction of Ordinance to amend Zoning Map by adding approximately 15.47 acres of land and placing said property in the R-75, One-Family Detached, Residential Zone. Annexation Petition X-111-92, Mayor and Council of Rockville, Petitioners.

The Ordinance was duly introduced.

Re: Discussion and Instruction to Staff on proposals concerning term limitations for City of Rockville elected officials.

Meeting No. 10-93

11

April 12, 1993

A public hearing on several proposals was conducted on March 15, 1993.

Councilmember Marrinan commented that he understood the frustration that had been the cause for raising the issue of term limits, although he felt most of it had been directed at the Federal House of Representatives where long terms were not uncommon. He said Rockville has been fortunate to have dedicated leadership who left when it was appropriate and not because of some arbitrary time limit. He said the City of Rockville did not have a problem, he did not believe in fixing problems that did not exist, and he did not favor the Mayor and Council continuing to pursue this issue.

Councilmember Robbins commented that he favored term limits but this was not the issue at hand. The issue was that the citizens of Rockville were asked to advise the Mayor and Council on whether term limits should be considered. He said the voters also informed the Mayor and Council that they wanted term limits and they did not want to go to a four-year term. He noted that although the public hearing on this issue resulted in three people showing up, a couple of thousand people voted and sent a message. He said the Mayor and Council had an obligation to give the voters a chance. Councilmember Robbins suggested the City put on the 1993 ballot, a referendum that would establish if passed, term limits, of 4 terms; two year terms for elected officials in Rockville. He urged the Mayor and Council to give the voters a chance to vote up or down on this issue.

Councilmember Krasnow said she sided with Councilmember Marrinan on many of his points regarding whether the Mayor and Council needed to continue to pursue this. She said when the issue was on the ballot, it was an issue that was basically confined to the Federal and

Meeting No. 10-93

12

April 12, 1993

State level. She said Rockville's elections were of a much smaller size and it seemed the Mayor and Council took very seriously the advisory referendum; they reexamined the issue and held a public hearing to which few people attended. She said she thought that the people in Rockville recognized that this was not an issue of great importance at the local level.

Councilmember Coyle said he took the position that the issue was advisory and the Mayor and Council took the advice very seriously and followed up on it. He said he felt if the Mayor and Council had held discussions like those of the last several months and had continued those discussions up to the election, the numbers would have been dramatically the other way because he believed that people feel that Rockville's government was open; people could come in and serve on commissions and move up to elected office. Mr. Coyle said he was opposed to putting this issue on the 1993 ballot.

Mayor Duncan said he favored term limits if they were set properly and correctly. He said the Mayor and Council were not adopting or turning down term limits this evening; they were deciding whether there would be a question on the 1993 ballot to let the people of Rockville decide whether they wanted term limits or not and choose the type of government they wanted.

Upon motion by Councilmember Marrinan, duly seconded, the motion to not include term limits as an advisory referendum on the 1993 ballot, passed by a 3 to 2 vote.

Councilmember Robbins and Mayor Duncan voted Nay.

Re: FYI/Correspondence

1. Reminder about the Town Meeting on the Detention Center briefing on April 13th at 7:30 p.m.
2. A letter was received from the Parent Education Resources Center requesting Mayor

Meeting No. 10-93

13

April 12, 1993

and Council's support. The letter was forwarded to the Advisory Commission on Public Education for a recommendation.

3. The annual water main flushing will soon be taking place. Staff was asked whether those areas in the City would be notified that this was happening. Mr. Romer responded that the water main schedule would be published in Rockville Reports.

Re: Correspondence

Councilmember Coyle referenced the recent correspondence regarding the cable franchise and asked that the City's representative on the CCAC be given a chance to provide their input prior to the City's taking their position back to the new franchisee.

Councilmember Krasnow expressed concern about a resident who had called City Hall to get information about tree removal in accordance with the City's tree ordinance and was told to look in the Yellow Pages. She asked that staff make sure that there was some type of information about the City's tree ordinance that could be made available to the public.

Re: Next Meeting

On April 15th, worksession will be held with several of the City's boards and commissions. Three public hearings on April 19th regarding the Thomas Farm annexation; the amendments to the Tower Dawson Limited Partnership Tower Oaks property; and the Halcyon Annexation.

Re: Adjournment

Upon motion of Councilmember Robbins, duly seconded and unanimously passed, the meeting was adjourned at 8:45 p.m. to convene again in Worksession on April 15, 1993, or at the call of the Mayor.